GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4190
ANSWERED ON:11.08.2017
Agricultural Sector Lending Target
Biju Shri Parayamparanbil Kuttappan

Will the Minister of FINANCE be pleased to state:

(a) the details of the agriculture sector lending targets of the Public Sector Banks (PSBs) in Kerala since 2015;
(b) the details of the percentage of these targets achieved by the banks during the said period, bank-wise;
(c) whether the Government is planning to revamp the agriculture sector lending targets of the PSBs, if so, the details thereof; and
(d) the steps taken/being taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance

(a) and (b): The bank-wise details of the agriculture sector lending targets of banks in Kerala, including Public Sector Banks, for the year 2014-15, 2015-16 and 2016-17 as provided by State Level Bankers Committee (SLBC) Kerala, along with the percentage of achievement are given in the Annexure I.

(c) and (d) In terms of Reserve Bank of India (RBI), Master Direction dated 07 July 2017 on Priority Sector Lending (PSL) − Targets and Classification, a target of 18 per cent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent of Off-Balance Sheet Exposure (CEOBE), whichever is higher, is prescribed for Agriculture under priority sector lending, for all Scheduled Commercial Banks operating in India. Further, a sub-target of 8% for small and marginal farmers has also been fixed.
Considering the need of enhancing the flow of credit to the agricultural sector, the Government sets annual targets for flow of credit to agricultural sector taking, inter alia, into account the overall banking credit growth. Target for flow of agricultural credit has increased from ? 8,50,000 crore in 2015-16 to ? 9,00,000 crore in 2016-17 and ? 10,00,000 crore in 2017-18.